AMENDED IN SENATE JANUARY 12, 2010

AMENDED IN SENATE DECEMBER 15, 2009

AMENDED IN SENATE MAY 4, 2009

AMENDED IN SENATE APRIL 13, 2009

AMENDED IN SENATE MARCH 31, 2009

SENATE BILL

No. 694

## **Introduced by Senator Correa**

February 27, 2009

An act to amend Section 22043 of, and to add Section 22015.5 to, An act to amend Section 22043 of the Public Contract Code, relating to public contracts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 694, as amended, Correa. Public contracts: public works: competitive bidding: procedures.

Existing law allows a public agency to elect to be subject to the Uniform Public Construction Cost Accounting Act, which authorizes bidding procedures for public projects, as specified. The act establishes the California Uniform Construction Cost Accounting Commission, which is charged with specified duties, including recommending for adoption by the Controller uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. Under the act, each commission member serves without compensation, but is required to be reimbursed for travel and other expenses incurred, and the commission is authorized to accept grants from federal, state, or local

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public agencies, or private foundations or individuals, to assist it in carrying out its duties.

This bill would authorize the commission to establish and impose reasonable fees upon the public agencies that have elected to be subject to the uniform construction cost accounting procedures. The bill would require the commission to establish the fees or dues in a manner that ensures that the total amount collected equals the amount reasonably necessary to cover the commission's costs in performing its administrative duties.

Existing law requires the commission to review the accounting procedures of any participating public agency upon evidence of an interested party that the work undertaken by the public agency (1) is to be performed by the public agency after rejection of all bids, claiming work can be done less expensively by the public agency; (2) has exceeded the force account limits; or (3) has been improperly classified as maintenance. In any of those circumstances, a request for commission review may be made and the commission is required to commence review immediately and conclude within 30 days from the receipt of the request.

This bill would extend the time for commission review to 45 days for a review of a public agency project that is to be performed after rejection of all bids, and to 90 days for a review of work for which evidence was provided that the work has exceeded the force account limits or has been improperly classified as maintenance.

Vote: majority. Appropriation: no. Fiscal committee: <del>yes-no</del>. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 22015.5 is added to the Public Contract 2 Code, to read:
- 3 22015.5. The commission shall have the authority to establish
- 4 and impose reasonable fees upon the public agencies that have
- 5 elected to be subject to the uniform construction cost accounting
- 6 procedures. The commission shall establish the fees in a manner
- 7 that ensures that the total amount collected equals the amount
- 8 reasonably necessary to cover the commission's costs in performing
- 9 its administrative duties under this chapter.

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SEC. 2.

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SECTION 1. Section 22043 of the Public Contract Code is amended to read:

- 22043. (a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than five business days from the date the public agency has rejected all bids.
- (b) In those circumstances set forth in subdivision (b) or (c) of Section 22042, a request for commission review shall be by letter received by the commission not later than five days from the date an interested party formally complains to the public agency.
- (c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:
- (1) Forty-five days for a review that falls within subdivision (a) of Section 22042.
- (2) Ninety days for a review that falls within subdivision (b) or (c) of Section 22042.
- 20 (d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project 22 until a final decision is received by the commission.